JAMES L. DAY (WSBA #20474) LESLEY BOHLEBER (WSBA #49150) BUSH KORNFELD LLP 601 UNION STREET, SUITE 5000 SEATTLE, WA 98101 Tel: (206) 292-2110 jday@bskd.com; lbohleber@bskd.com HONORABLE WHITMAN L. HOLT HEARING DATE: February 25, 2025 HEARING TIME: 2:00 p.m. RESPONSE DUE: At Time of Hearing LOCATION: Telephonic

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF WASHINGTON

In re Chapter 11
AMITY COURT LLC, Case No. 25-00240-WLH

Debtor.

DEBTOR'S EMERGENCY MOTION FOR ORDER APPROVING ADEQUATE

ASSURANCE TO UTILITIES

Amity Court LLC (the "<u>Debtor</u>"), the debtor and debtor-in-possession in the above-captioned involuntary chapter 11 bankruptcy case (the "<u>Chapter 11 Case</u>"), hereby moves the Court (the "<u>Motion</u>") on an emergency basis, pursuant to sections 105(a) and 366 of Title 11 of the United States Code (the "<u>Bankruptcy Code</u>"), for an order approving its proposed adequate assurance to the utility providers (each, a "<u>Utility Provider</u>," and collectively, the "<u>Utility Providers</u>") listed on the Utility Service List ("<u>Utility Service List</u>") attached hereto as <u>Exhibit A</u>. This Motion is based on the record and files herein and upon the declaration of Stanley Xu (the "<u>Xu Declaration</u>") in support of First Day Motions.

I. BACKGROUND

The Debtor commenced this Chapter 11 case on February 11, 2025 (the "<u>Petition</u> <u>Date</u>"). The Debtor seeks to operate its business and manage its operations as debtor-in-

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possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or committee of unsecured creditors has been appointed to serve in this reorganization case. A detailed discussion of the Debtor's business operations and events leading up to this Chapter 11 Case is set forth in the Xu Declaration.

Prior to the Petition Date, the Utility Providers provided utility services to the Debtor as indicated on Exhibit A. *Xu Decl*. These services are crucial to the Debtor's continued operations and the Debtor will likely suffer irreparable harm if the relief requested herein is not granted. *Id*. The Debtor fully intends to timely pay all postpetition obligations owed to the Utility Providers. *Id*.

II. RELIEF REQUESTED AND LEGAL AUTHORITY

As adequate assurance of future payment pursuant to Bankruptcy Code § 366, the Debtor proposes to establish and fund an account (the "<u>Utility Account</u>") in the amount of \$1,530.64 (the "<u>Proposed Adequate Assurance</u>"). The Proposed Adequate Assurance is equal to approximately two weeks of service from all of the Debtor's Utility Providers set forth on Exhibit A. The Utility Account will serve as a cash security deposit to provide the Utility Providers adequate assurance of payment for utility services provided to the Debtor after the Petition Date.

To the extent the Debtor fails to timely pay a Utility Provider for postpetition services, such Utility Provider may submit a payment request to the Debtor, certifying that the Debtor failed to pay for postpetition services and that such amounts are still outstanding. The Debtor shall pay the outstanding amount within seven (7) business days following receipt of the payment request, subject to the Debtor's right to contest the payment request in this Court or any other court with jurisdiction.

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Payments from the Utility Account shall be made in the order that the Debtors receive requests and the Debtors shall ensure that the Utility Account is replenished such that it remains at \$1,530.64 or such greater amount to which the Debtors may agree or the Court may otherwise require.

Bankruptcy Code § 366(c)(1)(A) provides in relevant part that "the term 'assurance of payment' means . . . (i) a cash deposit." Based upon the timing constraints of Bankruptcy Code § 366(b), the Debtor requests that the Court approve the Proposed Adequate Assurance on an interim basis subject to the following conditions:

- 1. The Debtor would, within three business days, mail a copy of this Motion and the order entered with respect thereto (the "<u>Interim Utility Order</u>") to each of the Utility Providers.
- 2. Each Utility Provider would have until March 27, 2025 to submit to the Debtor a written objection indicating that it does not agree to the Proposed Adequate Assurance.
- 3. If such an objection is submitted, the Debtor shall re-note this utilities Motion for hearing on full notice, *provided, however*, that the objecting Utility Provider(s) may not alter, refuse or discontinue service to the Debtor until the Court rules on the re-noted Motion.

If any Utility Provider does not provide written objection prior to March 27, 2025, the Interim Utility Order will become final as to such Utility Provider.

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III. **CONCLUSION** WHEREFORE, based on the foregoing and such additional reasons as may be set 2 3 forth at the hearing on this Motion, the Debtor respectfully requests an interim order, in the Proposed Form of Order filed contemporaneously herewith, approving the Proposed 4 Adequate Assurance and authorizing the relief set forth herein. 5 DATED this 19th day of February, 2025. 6 7 BUSH KORNFELD LLP 8 By /s/ Lesley Bohleber James L. Day, WSBA #20474 9 Lesley Bohleber, WSBA #49150 Proposed Attorneys for Amity Court LLC 10 11 12 13 14 15 16 17 18 19 20 21 22 23

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Exhibit A

Utility	4.11	A AN I	Two Week	TE CC
Provider	Address	Account Number	Average	Type of Service
	1600 127th Ave			
Republic	NE, Bellevue, WA			
Services	98005	3-0172-0145931	\$161.44	Garbage
	PO Box 91269,			
Puget Sound	Bellevue, WA			
Energy	98009	220027643158	\$1,160.98	Electric
	PO Box 90011,			
City of	Bellevue, WA			
Bellevue	98009	234332	\$208.22	Water
			\$1,530.64	

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